EXECUTIVE DIRECTOR'S REPORT TO THE COLORADO RIVER BOARD OF CALIFORNIA

May 15, 2019

ADMINISTRATION

Minutes of the March 18, 2019, Special Meeting of the Colorado River Board

A draft of the minutes from the March 18, 2019, special meeting of the Colorado River Board of California (Board) that was held in Ontario, California, has been prepared and is included in the Board folder for review and proposed adoption during the May Board meeting.

Notes of the April 10, 2019, Regularly Scheduled Meeting of the Colorado River Board

A draft of the meeting notes from the April 10th regularly scheduled meeting of the Colorado River Board of California (Board) that was held in Ontario, California, has been prepared and is included in the Board folder for review and proposed adoption during the May Board meeting. Unfortunately, there was a malfunction of the equipment utilized to record the meeting and no transcription was available to create the meeting minutes. Board staff utilized meeting notes, the executive director's report, and the Board power-point presentation to develop a set of notes reflective of the meeting.

Presentation of Draft Fiscal-Year 2019/2020 Budget for the Colorado River Board of California

Based upon the Governor's proposed January Fiscal-Year 2019/2020 (FY-19/20) budget, the Board has been authorized a total budget of \$2,308,000. There was no change to this authorized amount in the Administration's updated proposed budget, also known as the "May Revise," that was released on May 9, 2019.

In support of the FY-19/20 budget request for the Board, staff prepared a report describing the FY-18/19 accomplishments, and a description of the planned activities of the Board and its staff during FY-19/20. This report has been included in the Board folder for your information and review.

COLORADO RIVER BASIN WATER REPORT

As of May 5th, the water level at Lake Powell was 3,574.18 feet with 9.45 million-acre feet (MAF) of storage, or 39% of capacity. The water level at Lake Mead was 1,088.67 feet with 10.74 MAF of storage, or 41% of capacity. As of May 5th, the total system storage was 27.55 MAF, or 46% of capacity, which is about 2.88 MAF less than the system storage at this same time last year.

As of May 6th, the Upper Colorado River basin reservoirs, excluding Lake Powell, ranged from 41% of capacity at Fontenelle Reservoir in Wyoming; 88% of capacity at Flaming Gorge Reservoir in Wyoming and Utah; 98% of capacity at Morrow Point and 44% of capacity at Blue Mesa Reservoirs in Colorado; and 66% of capacity at Navajo Reservoir in New Mexico.

As of May 2nd, the unregulated forecasted inflow in Lake Powell for Water Year 2019 was 12.13 MAF (112% of normal). The forecasted April to July 2019 runoff into Lake Powell is projected to be 9.2 MAF (129% of normal), which will be the third highest runoff volume since 1997. The April 2019 observed Lake Powell inflow was 1.24 MAF (118% of normal), and the May Lake Powell inflow forecast is 3.0 MAF (128% of normal). The WY-2019 precipitation to date is 119% of normal and the current basin snowpack is 138% of normal.

Colorado Basin River Forecast Center Water Supply Webinar

On May 7th, the Colorado Basin River Forecast Center (CBRFC) provided a webinar to update current and forecasted water supply conditions. During the first half of April, precipitation conditions in the Upper Basin were above average, particularly in the Upper Green River and Great Basins, while dry conditions persisted in most of the Lower Basin. During the second half of the month, storm activity brought additional precipitation to the Upper Basin, benefitting the headwaters of the Gunnison Basin.

Temperatures in April were near to slightly above the monthly mean and resulted in lower elevation snowmelt and above average stream flows. There has been some improvement to the dry soil conditions that have persisted since the beginning of the winter season, but it is expected that dry soil conditions in the Upper Colorado Basin will continue to impact the April to July runoff volumes. However, there will be less impact in areas with delayed snowmelt.

As of May 1st, the April to July streamflow volume forecasts into Lake Powell, which include April observed inflow volumes, increased slightly in some drainage basins of the Upper Colorado Basin, while the streamflow forecast for the Lake Powell Basin remained unchanged at 9.2 MAF since April. In the Lower Colorado Basin, the Virgin River April to July streamflow volume forecasts, which contributes to the intervening flow between Lake Powell and Lake Mead, increased between 20% to 65% of average since the previous month.

Accounting and Water Use Report for Calendar Year 2018

The U.S. Bureau of Reclamation (Reclamation) is currently in the process of finalizing the "Accounting and Water Use Report: Arizona, California, and Nevada for Calendar Year 2018" (2018 Report). On March 29th, Reclamation released the first draft of the California section of the report and asked for stakeholder review and comment. A draft of the complete report was then distributed for review and comment on April 17th. The final 2018 Report is expected to be released on May 15th and posted on Reclamation's Lower Colorado Region webpage.

Colorado River Climate and Hydrology Work Group

On April 10, 2019, Board staff attended the Colorado River Climate and Hydrology Work Group in Salt Lake City, Utah. The Work Group reviewed the funding status and on-going administration of several climate and hydrology technical and research projects. In addition, the Work Group reviewed the current schedule for the completion of the State of the Science report. The first draft of the report will be available for review by mid-July. During the meeting, the Work Group also reviewed the current list of research priorities and heard presentations about snowpack monitoring along Arizona's Mogollon Rim; Reclamation's research and analysis of the Climate Model Intercomparison Project-Phase 5 (aka CMIP5) climate model; and the status of Reclamation's "Forecast Rodeo," a year-long, real-time sub-seasonal forecasting competition. Finally, the Work Group also began planning for the next Colorado River Basin Climate and Hydrology Symposium which will be held sometime next year.

COLORADO RIVER BASIN PROGRAM REPORTS

Status of Colorado River Basin Drought Contingency Planning Efforts

With the signing into law of the Colorado River Drought Contingency Plan Authorization Act (P.L. 116-14) on April 16th by the President, Reclamation initiated a process to finalize execution of the package of interstate agreements that comprise the Colorado River Drought Contingency Plans (DCPs) by the Basin States and participating agencies. Currently, Reclamation plans to hold an event celebrating the finalization of the DCPs at the Hoover Dam late in the afternoon on May 20th. In California, the agencies that have executed both the Companion Agreement and the Lower Basin DCP Agreement include the Coachella Valley Water District, The Metropolitan Water District of Southern California, and the Palo Verde Irrigation District. The City of Needles is planning to execute the two agreements following its City Council meeting on May 14th.

With the final execution of the U.S. Lower Basin DCP, efforts are now focused on ensuring the timely implementation of Section IV of Minute No. 323, i.e., Mexico's Binational Water Scarcity Contingency Plan. The intent is to have Mexico's Binational Water Scarcity Contingency

Plan fully effective by the time of the release of the August 2019 24-Month Study Report. As was reported last month, a small binational working group has been charged with developing the process and schedule leading to the activation and implementation of the Binational Water Scarcity Contingency Plan prior to the release of the August 2019 24-Month Study Report. The primary efforts of the small group have been focused on the reconciliation of the plain language of the operational and accounting aspects of both the LB DCP and the Minute No. 323 Binational Water Scarcity Contingency Plan. These implementing details will be utilized in preparing the Joint Report of the Principal Engineers for the U.S. and Mexican Sections of the International Boundary and Water Commission that is required pursuant to the Minute (Section IV).

Specifically, Minute No. 323 calls for the following:

"The implementing details of both plans should be in harmony to ensure parity and equivalent implementation of these important efforts. The following elements of both contingency plans will be identical: a) evaporation/losses, b) recovery timing and limitations, and c) the term for recovery. Within 100 calendar days of the date the U.S. Commissioner notifies the Mexican Commissioner, the implementing details of the Binational Water Scarcity Contingency Plan will be specified in a Joint Report of the Principal Engineers."

(Minute No. 323, Section IV, pages 7-8).

The goal is to have a finalized P.E. Joint Report relatively soon, perhaps at some point in June. As mentioned above, the goal is to have both the Minute No. 323 BWSCP and the U.S. Lower Basin DCP fully effective and synched up prior to the issuance of the August 2019 24-Month Study Report. Representatives of Mexico's CONAGUA and CILA have embraced this goal as well. The binational work group met for a two-day work session in El Paso, Texas, in late-April, has conducted several webinars, and plans to meet again soon.

Colorado River Basin Salinity Control Program

Staff participated in the Salinity Control Forum Work Group meeting on April 17-18 in Salt Lake City, Utah. During the meeting, the Work Group reviewed preliminary Colorado River Simulation System (CRSS) model runs performed for the upcoming 2020 Triennial Review. Three modeled scenarios are being considered, including: (1) the effects of continuing current salinity control of 1.42 million tons per year through 2040; (2) increasing salinity control to 1.68 million tons per year through 2040; and (3) implementing 2.42 million tons of salinity control annually through 2040. Only the third scenario, more aggressive control of 2.42 million tons per year, shows continued long-term reduction in salinity concentration in the water quality of the Colorado River.

An update was provided on the recent Washington D.C. trip by Salinity Control Forum Executive Director Mr. Don Barnett to meet with agency leads, and committee and congressional staff to promote the Colorado River Basin Salinity Control Program and the Program's budget needs for the next fiscal year. The President's budget request matches the Forum's budget request of \$10M for the Basinwide Program, so a key message to the states has been to continue to support the President's proposed budget.

The Work Group also received an update on the Paradox Valley Unit (PVU) Salinity Control Project located in southwestern Colorado. As you may recall, the PVU consists of brine collection wells and a deep injection disposal well and is a critical component of the Colorado River Basin Salinity Control Program. The PVU prevents approximately 100,000 tons of salt from entering the waters of the Colorado River Basin each year, providing just under 10 percent of the total salinity control implemented in the Colorado River Basin.

On March 4th, there was a Magnitude 4.5 earthquake very near the PVU injection well facility, and following Reclamation's protocol, the PVU injection well was shut down and is expected to remain off-line for at least three months while Reclamation evaluates the seismic risk associated with continued operation. This assessment process may take staffing resources away from preparation of the new Paradox Project EIS.

Finally, staff wish to report that significant progress continues to be made in the implementation of the Moab uranium tailings removal project located along the Colorado River near the town of Moab, Utah. To date, approximately 9.5 million tons or about 60 percent of the tailings have been removed and relocated to the permanent disposal site near Crescent Junction, Utah. In February of this year, the Department of Energy stepped up their tailings removal schedule and are now doubling the weekly shipments of uranium mill tailings waste to the Crescent Junction disposal site. A recent article from the Deseret News about the status of the mill tailings removal and relocation project has been included in the Board folder materials.

The Forum, Advisory Council, and Work Group will be meeting in Denver, Colorado, the week of June 3-7, 2019. This will also mark the 100th meeting of the Forum.

Glen Canyon Dam Adaptive Management Program

The Technical Work Group (TWG) for the Glen Canyon Dam Adaptive Management Program (AMP) met via teleconference on May 1st. The group discussed the FY-20 budget and work plan. In this final year of the current FY-2018-2020 triennial work plan, minimal changes are expected to the actual FY-20 budget and work plan. The TWG has initiated planning for the development of the next triennial work plan for the FY-2021-2023 period. The TWG also discussed future funding for the AMP, which was thrown into uncertainty last year when the Office of Management and Budget issued new guidance on the use of Colorado River Storage Project

power revenues, which have provided most of the AMP financial support since its inception. The AMP will likely be supported by annual federal appropriations in the future, which will affect the AMP's ability to create and use contingency funds for unforeseen monitoring and native fish management needs.

On April 24th, the Department of the Interior approved the recommendation to conduct Macroinvertebrate Production Flow ("bug flow") releases from Glen Canyon Dam from May 1st through August 31st. Bug flows were one of the experimental releases described in the 2016 Long-Term Experimental and Management Plan (LTEMP) EIS and are intended to improve the aquatic foodbase that supports native fish populations and a blue-ribbon rainbow trout fishery. These low, steady weekend flows were held from May to August 2018 and initial results indicate they improved aquatic insect diversity and distribution, as well as increasing angler satisfaction. Researchers provided the TWG a description of the monitoring program that would capture the results of this year's bug flow releases.

The Adaptive Management Work Group will meet via teleconference on May 22nd, and the TWG will meet again on June 11-12, 2019, in Phoenix, Arizona.

Lower Colorado River Multi-Species Conservation Program

The Lower Colorado River Multi-Species Conservation Program (LCR MSCP) Steering Committee met April 24th in Las Vegas, Nevada. The group approved a modification to the FY-19 budget and work plan, increasing the total budget from \$31.9 million to \$38.4 million. This administrative change is the result of the \$9.73 million easement for the new Dennis Underwood Conservation Area falling in FY-19 instead of FY-18 and will not require any additional contributions from LCR MSCP funders.

The Steering Committee also acted to allow Reclamation to initiate discussions with the U.S. Fish and Wildlife Service regarding consultation to increase the program's change-in-flow coverage up to 1,574,000 acre-feet/year (afy) between Hoover and Parker Dams. The LCR MSCP provides coverage for the environmental effects of changes in point of diversion along the Lower Colorado River, including for the effects of water transfers and water storage in upstream reservoirs such as Lake Mead. Currently, the LCR MSCP change-in-flow coverage is as follows: Hoover Dam to Davis Dam- up to 845,000 afy; Davis Dam to Parker Dam- up to 860,000 afy; Davis Dam to Imperial Dam- up to 1,574,000 afy. Through this change-in-flow coverage, the LCR MSCP can continue to provide on-river environmental compliance for many actions, including the QSA transfers and the implementation of the 2007 Guidelines. An initial analysis of this proposed change in coverage indicates that it will require approximately 27 acres of mitigatory backwater and marsh creation and may require a minor increase in funding.

The LCR MSCP Work Group met May 8-9 in San Diego, California, to discuss the *Draft Implementation Report*, *Fiscal Year-2020 Work Plan and Budget*, *Fiscal Year-2018 Accomplishments Report*. Conservation area development is moving forward quickly, with approximately 6,000 acres of the program's 8,132 required acres of habitat already established through FY-18. The conservation areas currently identified in the Implementation Report are enough to satisfy the program's overall habitat requirement, although construction of these habitat areas is expected to take multiple years. The LCR MSCP recently completed construction of the Mohave Valley Backwater, a 60-acre connected backwater located in California south of Needles, and initial planting was completed at the Dennis Underwood Conservation Area in the Palo Verde Valley. Construction will now begin at the Planet Ranch Conservation Area, located along the Bill Williams River in west-central Arizona.

Monitoring and research for the LCR MSCP covered species continued in FY-18 and FY-19. Yellow-billed cuckoos continue to be detected frequently at the program's conservation areas, including at recently constructed sites such as the Laguna Division Conservation Area. However, the endangered southwestern willow flycatcher is still elusive, with no detections of the species at LCR MSCP conservation areas during monitoring episodes in FY-18. Long-term survival of stocked native fish still appears to be low, with recontacts of fish, particularly bonytail, dropping off quickly post-stocking.

The next meeting of the LCR MSCP Steering Committee will be held via teleconference call on June 26th.

GENERAL ANNOUNCEMENTS AND UPDATES

California Natural Resources Agency Appointments

On May 10, 2019, Governor Newsom announced the appointment of Ms. Angela Barranco, of Los Angeles, as the new Undersecretary of the California Natural Resources Agency. Most recently, Ms. Barranco served as chief executive officer for River LA, and was associate director of public engagement for climate and environment for the White House Council on Environmental Quality from 2014 to 2016. The Governor also named Mr. Thomas Gibson, of Sacramento, as the Deputy Secretary and Special Counsel for Water for the California Natural Resources Agency, where he has been Undersecretary since 2016 and served as general counsel from 2014 to 2016.

Washington, D.C. Updates

Colorado River Drought Contingency Plan Authorization Act Signed into Law

On April 16th, President Trump signed the Colorado River Drought Contingency Plan Authorization Act into law (Public Law 116-14, April 16, 2019). *Appropriations Update*

The House Appropriations subcommittee on Energy and Water Development is expected to mark up the appropriations bill the week of May 13th. The Senate is expected to follow suit in late-May or early-June. This legislative process will continue to be monitored to see what amendments may be offered.

Status of the S.A.V.E. WATER RESOURCES ACT

Rep. Josh Harder (D-CA-10) plans to introduce an "all-of-the-above" water bill that would address some western water shortage concerns. This legislation, the S.A.V.E. WATER RESOURCES ACT, expected to be proposed in the coming weeks, would create a new "Water Infrastructure Fund" to help develop new water technologies, provide \$100 million to support surface and groundwater storage, provide \$100 million for water reclamation and reuse projects, provide \$100 million for WaterSMART projects, reauthorize the Rural Water Supply Act, and increase investments in water reuse and recycling by \$450 million. Once introduced, this bill will be referred to the House Natural Resource Committee for consideration and will likely get a committee hearing.

Public Comments on the Proposed Modifications to the Waters of the United States Rule

The U.S. Environmental Protection Agency has closed the public comment period for proposed revisions to the Waters of the United States rule. The proposed language is more specific and narrower for describing which waters qualify for federal protection. According to the U.S. Geological Survey, eighteen percent of the streams and half of the wetlands now under federal jurisdiction would lose federal protection.

Status of Proposed Infrastructure Legislation

President Trump recently met with House Speaker Pelosi and Senate Minority Leader Schumer to discuss next steps on infrastructure legislation. Both sides framed the meeting as a productive one, where an agreement was reached on an overall dollar amount of \$2 trillion for legislation. However, there was no agreement as to how such a bill would be paid for and it unclear what the scope of such a bill will look like. In Congress, the foundation for an infrastructure bill

will likely be narrow and is unlikely to include much in the way of water infrastructure at the outset. The committees of jurisdiction in the House and Senate tasked with taking the lead on infrastructure are focused on a surface transportation bill, while House and Senate Leadership try to find a path forward on a more robust package that would theoretically include things like water infrastructure and broadband deployment, among others.

Christopher Harris Executive Director